16/08/2022

Archdiocese Audit Committee Updates the Clergy-Laity Congress on Audit Results



At the Clergy-Laity Congress, Archdiocesan Audit Committee Chair Maria Stefanis reported on the activities of the Audit Committee and the results of the 2021 financial audit. She noted that the financial audit was completed by April 26, 2022. This accomplishment is the earliest after year end that an audit of the Archdiocese's financial statements has ever been completed.

The Audit Committee met with BDO, the independent accounting firm that has been engaged by the Audit Committee to conduct the audit, and was given the opportunity to ask questions about the financial statements, internal controls over financial transactions, and the audit process. Ms. Stefanis commented, "We were told that the audit proceeded very smoothly because records were well kept and readily available to the auditors."

Audit firms are required to communicate any deficiencies in internal controls noted during their audits and to provide information regarding material weaknesses, significant deficiencies, and business recommendations. Related to the 2016 audit completed in 2018, there were eleven such comments communicated to the Audit Committee by the then existing auditors. For both years 2020 and 2021, no comments on internal control deficiencies or business recommendations were made by the auditors. Ms. Stefanis stated, "That is confirmation by our auditors that the financial controls of the Archdiocese are working well and that they had no observations or recommendations on good internal control practices as a result of their audit."

The completion of audits has improved each year since 2018 when the current Audit Committee structure and governance was established. In the first 18 months of the Committee's existence, audits covering three years of financial results were completed (2016, 2017, and 2018) to bring the audit process up to date. The 2019 audit was completed within six months of year end, 2020 within five months of year end and the recently completed 2021 audit was done within four months of year end.

Ms. Stefanis also reported on the status of Metropolis audits and reviews. Effective January 2019, the Regulations of the Archdiocese require each Metropolis to issue financial statements that are audited or reviewed by an independent accounting firm. The Archdiocese's Audit Committee was directed by His Eminence Archbishop Elpidophoros to monitor Metropolis compliance with this requirement. The following Metropolises completed audits for the year ended December 31, 2020: Atlanta, Chicago, Direct Archdiocesan District, Denver and Pittsburgh. The following Metropolises completed reviews for the year ended December 31, 2020: Boston and Detroit. The Metropolises of New Jersey and San Francisco are working on reviews for the year ended December 31, 2020, and those are expected to be completed in the coming months.

The Audit Committee consists of Metropolitan Nathanael as the Presiding Hierarch, Maria Stefanis, as Audit Committee Chair, and members Elaine Allen, Patrick Crosson, Jim Logothetis, Keith Maib, Harry Raptakis, William Spell, Peter Vlitas, and Bill Vranas.

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